

ATTACHMENT 1

APPLICANT'S DESIGNATED CONTACTS

- a.) Issues related to processing this application.
- e.) Tariff and pricing issues.

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- b.)** Consumer issues
- c.) Customer complaint resolution
- d.)** Technical and service quality issues
- f.)** 9-1-1- issues
- g.) Security / law enforcement issues

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ATTACHMENT 2

Limited Liability Company Agreement .

of

SNG Communications, L.L.C.
(Member Managed)

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Limited Liability Company Agreement

of

SNG Communications, L.-LX.
(Member Managed)

This Company Agreement (as defined below) of SNG Communications, L.L.C., a limited liability company organized pursuant to the Delaware Limited Liability Company Act, is entered into and shall be effective as of July 16, 1999, by and among the Company and the Person or Persons executing this Company Agreement as the Member or as Members.

ARTICLE I DEFINITIONS

For purposes of this Company Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1. **Act** - The Delaware Limited Liability Company Act, as amended from time to time.
2. **Additional Member** - A Member other than those persons identified on Exhibit A or a Substitute Member who has acquired a Membership Interest from the Company.
3. **Assignee** - A transferee of a Membership Interest who has not been admitted as a Substituted Member.
4. **Bankrupt Member** - A Member who: (1) makes an assignment for the benefit of creditors, (2) files a voluntary petition in bankruptcy, (3) is adjudged a bankrupt or insolvent, or has entered against him an order for relief, in any bankruptcy or insolvency Proceeding, (4) files a petition or answer seeking for himself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (5) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him in any proceeding of this nature, or (6) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Member or of all or any substantial part of his properties.
5. **Business Day** - Any day other than Saturday, Sunday or any legal holiday observed in the State of Delaware.
6. **Capital Account** - The account maintained for a Member or Assignee determined in accordance with Article VII.
7. **Capital Contribution** - Any contribution of Property, services or the obligation to contribute Property or services made by or on behalf of a Member or Assignee.

8. **Certificate** - The **Certificate** of Formation of the Company as properly adopted and amended from time to time by the Members and filed with the Secretary of State of Delaware.

9. **Code** - The **Internal Revenue Code** of 1986 as amended from time to time.

10. **Commitment** - The **Capital Contributions** that a Member or Assignee is obligated to make.

11. **Company** - **SNG Communications, L.L.C.**, a limited liability company formed under the laws of the State of Delaware, and any successor limited liability company.,,

12. **Company Agreement** - This **Limited Liability Company Agreement** including all amendments adopted in accordance with the **Company Agreement** and the **Act**.

13. **Company Liability** - Any enforceable debt or obligation for which the Company is liable or which is secured by any Company Property.

14. **Company Minimum Gain** - An amount equal to the "partnership minimum gain" of the Company, determined in accordance with §§ 1.704-2(b)(2) and 1.7942(d) of the Treasury Regulations promulgated under section 704(b) of the Code:

15. **Company Nonrecourse Liability** - A Company Liability treated as a "nonrecourse liability" under § 1.704-2(b)(1) of the Treasury Regulations promulgated under section 704(b) of the Code.

16. **Company Property** - Any Property owned by the Company.

17. **Contributing Members** - Those Members making contributions as a result of the failure of a Delinquent Member to make the contributions required by the Commitment as described in Article VII.

18. **Default Interest Rate** - The lower of (1) the legal rate or (2) the then current prime rate quoted by the largest commercial bank in the jurisdiction of the Principal Office plus three percent.

19. **Delinquent Member** - A Member or Assignee who has failed to meet the Commitment of that Member or Assignee;

20. **Disposition (Dispose)** - Any sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as security or encumbrance (including dispositions by operation of law).

21. **Distribution (Distribute)** - A transfer of Property to a Member on account of a Membership Interest as described in Article VIII.

2 2 . **Dissolution Event** - An event, the occurrence of which **will result** in the dissolution of the Company **under Article XI unless** the Members agree to the **contrary**.

23. **Initial Capital Contribution** - The **Capital** Contribution agreed to be made by the Members as described in **Article VII**.

24. **Members** - That Person or those Persons **identified** on Exhibit A, Substituted Members or **Additional** Members, **and, unless** the context expressly indicates to the **contrary, includes** Assignees. The term "Members" **shall mean the** sole Member of the Company at any time de Company has **only** one Member.

2 5 ; **Member Minimum Gain** - An amount, with respect to each Member **Nonrecourse Liability, equal** to the Company **Minimum Gain** that would **result** if such Member **Nonrecourse. Liability** were 'treated as a Company **Nonrecourse Liability**, determined **in accordance** with § 704-2(i)(3) of the Treasury **Regulations** promulgated under section 704(b) of the **Code**.

26. **Member Nonrecourse Deductions** - Deductions treated as "partner nonrecourse deductions" **under §§ 1.7042(i)(1) and 1.704-2(i)(2)** of the Treasury **Regulations** promulgated under section 704(b) of the **Code**.

27. **Member Nonrecourse Liability** - A **liability** of the Company **described in § 1.704-2(b)(4)** of the: Treasury **Regulations** promulgated under section. 704(b) of the **Code**.

28. **Membership Interest** - The **rights** of a **Member** or, in the case of an Assignee; the rights of **the assigning** Member in Distributions (Liquidating and **otherwise**) and allocations of **the** profits, losses, gains; deductions; **and** credits of **the** company.

29.. **Money** - Cash or' other legal tender of the **United States**, or, any **obligation** that is **immediately** reducible to legal tender without **delay or** discount. Money **shall** be **considered** to' have a **fair market** value **equal** to its face **amount**.

30. **Net Profit; Net Loss** - With respect to a **particular fiscal** year, the Company's taxable income. ("Net Profit") or **taxable loss** ("Net Loss") for such year, **determined in** accordance with section 703(a) of the **Code**. For this purpose, items required to be separately stated by section 703(a)(1) of the **Code** **shall** be combined into' a **single** net amount with **the following** adjustments:

(i) **There shall** be added to such **taxable** income or taxable **loss an** amount equal to any income received by the Company during such year which is **wholly** exempt from **federal income tax**;

(ii) **There shall** be subtracted from such **taxable** income or taxable **loss an** amount equal to any **non-capital** expenditures made by the Company during such year which **are** not **deductible** for **federal income tax** purposes:

(iii), **Gain or loss** and depreciation or **amortization** deductions with **respect to** any property contributed by a' Member. to **the** Company **shall** be

computed by taking, into account the fair market value of such property, rather than its tax basis; and

(iv). There shall be excluded from such Net Profit or Net loss any item required to be allocated specially under Section 2, 3, 4, or 5 of Article VIII.

31. **Nonrecourse Liabilities** - Nonrecourse Liabilities include Company Nonrecourse Liabilities and Member Nonrecourse Liabilities.

32. **Notice** - Shall be in writing and shall be considered given to the Company when mailed by first class mail postage prepaid addressed to the Company at the address of the Principal Office. Notice to a Member shall be considered given when mailed by first class postage prepaid addressed to the Member at the address reflected in the Company Agreement unless the Member has given the Company a Notice of a different address..

3 3 . **Offsettable Decrease** Any allocation that unexpectedly causes or increases a deficit in the Member's Capital Account as of the end of the Taxable Year to which the allocation relates attributable to depletion allowances under § 1.704(b)(2)(iv)(k) of the Regulations, allocations of loss and deductions under @704(e)(2) or 706 of the Code or under §1.751-1 of the Regulations, or distributions that, as of the end of the year are reasonably expected to make to the extent they exceed the offsetting increases to such Members Capital Account that reasonably are expected to occur during or (prior to) the Taxable Years in which such Distributions are expected to be made (other than increases pursuant to a Minimum Gain Chargeback as described in Article VIII).

34. **Organization** - A Person other than a natural person. Organization includes, without limitation, corporations (both non-profit and other corporations), partnerships (both limited and general), joint ventures, limited liability companies, and; unincorporated associations, but the term does not include joint tenancies and tenancies by the entirety.

35. **Organization Expenses** - Those expenses incurred in the organization of & Company including the costs of preparation of the Company Agreement and the Certificate.

36. **Person** - An individual, trust, estate, "or any incorporated or unincorporated organization permitted to be a member of a limited liability company under the laws of the State of Delaware.

3 7 . **Proceeding** - Any administrative, judicial, or other adversary proceeding, including, without limitation, litigation, arbitration, administrative adjudication, mediation, and appeal or review of any of the foregoing.

33. **Property** - Any property real or personal, tangible, or intangible, including Money and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

39. Regulations - Except where the context indicates otherwise, the permanent, temporary, proposed, or proposed and temporary regulations of the Department of the Treasury under the Code as such regulations may be lawfully changed from time to time.

40. Sharing Ratio - With respect to any Member, the percentage amount listed next to said Member's name on Exhibit A.

41. **Substitute Member** - An Assignee who has been admitted to all of the rights of membership pursuant to this Company Agreement.

42. **Taxable Year** - The taxable year of the Company as determined pursuant to §706 of the Code.

43. **Taxing Jurisdiction** - Any state, local, or foreign government that collects tax, interest or penalties, however designated, on any Member's share of the income or gain attributable to the Company.

ARTICLE II FORMATION

1. **Organization** - The initial Member hereby organizes the Company as a Delaware limited liability company pursuant to the provisions of the Act

2. **Agreement** - For and in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members executing the Company Agreement hereby agree to the terms and conditions of the Company Agreement, as it may from time to time be amended according to its terms. It is the express intention of the Members that the Company Agreement shall be the sole source of agreement of the parties, and, except to the extent a provision of the Company Agreement expressly incorporates federal income tax rules by reference to sections of the Code or the Regulations or is expressly prohibited or ineffective under the Act, the Company Agreement shall govern, even when inconsistent with, or different than, the provisions of the Act or any other law or rule. To the extent any provision of the Company Agreement is prohibited or ineffective under the Act, the Company Agreement shall be considered, amended to the smallest degree possible in order to make the Company Agreement effective under the Act. In the event the Act is subsequently amended or interpreted in such a way to make any provision of the Company Agreement that was formerly invalid valid, such provision shall be considered to be valid from the effective date of such interpretation or amendment.

3. **Name** - The name of the Company is SNG Communications, L.L.C., and all business of the Company shall be conducted under that name or under any other name, but in any case, only to the extent permitted by applicable law.

4. **Term** - The Company's existence shall commence upon the date of the filing of the Certificate and shall continue in existence in perpetuity until it is sooner dissolved, wound-up, liquidated or otherwise terminated, in accordance with the Act or this Company Agreement.

5. **Registered Agent and Office** - The registered agent for the service of process and the registered office shall be that Person and location reflected in the Certificate as filed in the office of the Secretary of State. The Company may, from time to time, change the registered agent or office through appropriate filings with the Secretary of State. In the event the registered agent ceases to act as such for any reason or the registered office shall change, the Company shall promptly designate a replacement registered agent or file a notice of change of address as the case may be.

6. **Principal Office** - The Principal Office of the Company shall be located at 1720 Fifth Avenue, Moline, Illinois 61265, or Such other location as the Members may determine.

ARTICLE III NATURE OF BUSINESS

The Company may engage, in any lawful business permitted by the Act or the laws of any jurisdiction in which the Company may do business. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Article III. The Company exists only for the purpose specified in this Article III, and may not conduct any other business without the unanimous consent of the Members.

ARTICLE IV ACCOUNTING AND RECORDS

1. **Records to be Maintained** - Proper and complete records and books of account shall be kept by the Company in which shall be entered fully and accurately all transactions and other matters relating to the Company's business as are usually entered into records and books of account maintained by Persons engaged in businesses of a like character. The Company books and records shall be kept on the accrual basis, unless a different accounting method is permitted Under, applicable law and the Company elects to employ such method. The books and records shall at all times be maintained at the Principal Office of the Company and shall be open to the reasonable inspection and examination by, the Members or their duly authorized representatives during reasonable business hours.

2. **Reports to Members** - Each Member shall receive a copy of the annual financial statements of the Company and such other financial information as the Company may deem appropriate in its discretion.

3. **Accounts** - The Company shall maintain a record of Capital Account for each Member in accordance with Article VII.

ARTICLE V
NAMES AND ADDRESSES OF MEMBERS

The names and addresses of the Members, as of July ____, 1999, are as reflected on Exhibit A attached hereto and by this reference made a part hereof as if set forth fully herein.

ARTICLE VI
RIGHTS AND DUTIES OF MEMBERS

1. **Management Rights** - The Management of the Company shall be vested in the Members in the proportion to their **Sharing Ratios** with the decision of Members whose **Sharing Ratios** total more than fifty percent (50%) to be **controlling**, except that the Members shall elect a manager whose sole duty and authority shall be to prepare, execute and deliver to the State of Illinois any and all documents necessary to maintain the Company's qualification to do business in the State of Illinois. The manager shall be selected, and may be removed, by a decision of Members whose **Sharing Ratios** total more than fifty percent (50%). The initial manager shall be Joseph Lacaeyse.

2. **Liability of Members** - No Member shall be liable as such for any Company **Liability**. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of, its business or affairs under this Company Agreement or the Act shall not be grounds for imposing personal liability on the Members for Company Liabilities.

3. **Indemnification** - The Company shall indemnify each Member for all costs; losses, liabilities, and damages paid or incurred by such Member in connection with the business of the Company, to the fullest extent provided or allowed by the laws of the State of Delaware, unless such costs, losses, liabilities, or damages, arise as a result of actions taken by such Member on behalf of the Company, which were not authorized by the Members

4. **Representations and Warranties** - Each Member, and in the case of an Organization the Person(s) executing the, Company Agreement on behalf of the Organization, hereby represents and warrants to the Company and each other Member that: (a) if that Member is an Organization, that it is duly organized, validly existing, and in good standing under the laws of its state of organization and that it has full organizational power to execute and agree to the Company Agreement and to perform its obligations hereunder and (b) that the Member is acquiring its interest in the Company for the Member's own account as an investment and without an intent to distribute the interest. Each Member acknowledges that the interests have not been registered under the Securities Act of 1933 or any state securities laws, and may not be resold or transferred by the Member without appropriate registration or the availability of an exemption from, such requirements.

5. **Conflicts of Interest**

5.1. Subject to the provisions of Section 5.2 with respect to certain transactions between a Member and the Company, nothing in this Company

Agreement' **shall** be deemed to restrict in any way the freedom of a Member to sell to or buy from the Company or to or **from** others who may be in competition with the Company or **any** Member without any accountability to the Company or the Member. Nothing in **this** Agreement shall be deemed to restrict in any way the freedom of a Member to conduct **any** business or **activity** whatsoever, even if such business or **activity** competes with the business of the Company or the other Member.

5.2 No transaction between 'the Company and a Member shall be voidable solely because a Member has a direct or indirect interest in the transaction if (a) the transaction is **fair** to the Company or (b) the disinterested Members, **knowing** the 'material facts of the transaction and the Member's interest, **authorize**, approve, or **ratify** such transaction.

ARTICLE VII

CONTRIBUTIONS AND CAPITAL ACCOUNTS

1. **Initial Contributions** - Each Member shall make the Capital Contribution described for that Member on **Exhibit A** at the time and on the terms specified on **Exhibit A** and shall perform that Member's Commitment. If no time for performance of such **Commitment** is specified, the Capital Contributions shall be made promptly upon the effectiveness of this **Company Agreement**. The value of the **Capital Contributions** shall be as set forth on **Exhibit A**. No interest shall accrue on any Capital Contribution and no Member shall have the right to **withdraw** or be repaid any **Capital Contribution** except as provided in this **Company Agreement**. The value of any Additional Member's **Initial Capital Contribution** and the time for making such contribution shall be as agreed upon between such Additional Member and the Company.

2. **Additional Contributions** - In addition to the Initial Capital Contributions and Commitments, the Company, upon unanimous consent of the Members, may determine from time to time that additional contributions are needed to enable the Company to conduct its business. Such additional contributions shall be on the terms and conditions determined by the Company, with the unanimous consent of the Members.

3. **Maintenance of Capital Accounts** - The Company shall establish and maintain Capital Accounts for each Member and Assignee. Each Member's Capital Account shall be increased by (1) the amount of any Money actually contributed by the Member to the capital of the Company, (2) the fair market value of any Property contributed, as determined by the Company and the contributing Member at arm's length at the time of contribution (net of liabilities assumed by the Company or subject to which the Company takes such Property, within the meaning of § 752 of the Code), and (3) the Member's share of Net Profits and of any specially allocated items of income or gain. Each Member's Capital Account shall be decreased by (1) the amount of any Money actually distributed to the Member by the Company, (2) the fair market value of any Property distributed to the Member, as determined by the Company and the contributing Member at arm's length at the time of contribution (net of liabilities of the Company assumed by the Member or subject to which the Member takes such

Property within the meaning of § 752 of the Code), and (3) the Member's share of Net Losses and of any specially **allocated** items of deduction or loss.

4. **Distribution of Assets** - If the Company at any time **Distributes** any of its assets in-kind to any Member, the **Capital Account** of each **Member** shall be **adjusted** to account for that **Member's** allocable share (as **determined** under **Article VIII** below) of the **Net Profits** or **Net Losses** that would have been **realized** by the Company had it sold the assets that were **Distributed** at their respective **fair** market values immediately prior to **their** **Distribution**.

5. **Sale or Exchange of Interest** - In the event of a **sale** or **exchange** of some or **all** of a **Membership** Interest in the Company, the **Capital Account** of the **assigning** Member shall become the **Capital Account** of the **Assignee**, to the extent it relates to the portion of the **Membership** Interest assigned.

6. **Compliance with Section 704(b) of the Code** - The provisions of this **Article VII** as they relate to the maintenance of **Capital Accounts** are **intended**, and shall be construed, and; if necessary, modified to cause the allocations of profits, losses, **income**, gain and credit pursuant to **Article VII** to have substantial economic effect **under** the Regulations promulgated under § 704(b) of the Code, in light of the **Distributions** made pursuant to **Articles VII** and **XI** and the **Capital Contributions** made pursuant to this **Article VII**. Notwithstanding anything herein to the contrary, this **Company Agreement** shall not be construed as creating a deficit restoration obligation or otherwise personally obligate any member to make a **Capital Contribution** in excess of the **Initial Capital Contribution**.

ARTICLE VIII

ALLOCATIONS AND DISTRIBUTIONS

1. **Allocations of Ret Profits and Net Losses from Operations** - Except as, may be required by § 704(c) of the Code, and § § 2, 3, and 4 of this **Article VIII**, **Net Profits**, **Net Losses**, and other items of **income**, gain, loss, deduction and credit shall be apportioned among the **Members** in proportion to their **Sharing Ratios**.

2. **Company Minimum Gain Chargeback** - In the event that there is a net decrease in **Company Minimum Gain** for a **Taxable Year**, each Member shall be specially **allocated** items of **Company** income and gain in accordance with § 1.704-2(f) of the Treasury Regulations promulgated under section 704(b) of the Code and its requirements for a "minimum gain chargeback." The allocation required by this Section 2 shall be made prior to any other allocation for the year. Allocations of income and gain shall be made, as required by § 1.704-2(f) of the Regulations, first from gains recognized from the disposition, of property subject to Nonrecourse Liabilities, to the extent of the decrease in **Company Minimum Gain** attributable to the disposition of such property (or if these gains exceed the minimum gain chargeback required for the taxable year, then a proportionate share of those gains); and thereafter the remainder, if any, from a pro rata portion of the **Company's** other items of income and gain for the year.

3. **Member Minimum Gain Chargeback** - Except as otherwise provided in § 1.704-2(i)(4) of the Treasury Regulations promulgated under section 704(b) of the

Code, notwithstanding any other provision of this Article VIII, if there is a net decrease in Member Minimum Gain attributable to a Member Nonrecourse Liability during any **fiscal year**, each Member who has a share of the Member Minimum Gain attributable to such Member Nonrecourse Liability, determined in accordance with § 1.704-2(i)(5) of the aforementioned Treasury Regulations, shall be specially allocated items of Company income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to such Member's share of the net decrease in Member Minimum Gain attributable to such Member Nonrecourse Liability, determined in accordance with § 1.704-2(i)(4) of the Regulations. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with §§ 1.704-2(i)(4) and 1.704-2(j)(2) of the Regulations.

4. **Qualified Income Offset** - In the event any Member, in such capacity, unexpectedly receives an Offsettable Decrease, such Member will be allocated items of income and gain (consisting of a pro rata portion of each item of Company income and gain for such year) in an amount and manner sufficient to offset such Offsettable Decrease as quickly as possible.

5. **Member Nonrecourse Deductions** - Any Member Nonrecourse Deductions for any Taxable Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Liability to which such Member Nonrecourse Deductions are attributable in accordance with § 1.704-2(i)(1) of the Regulations.

6. **Interim Distributions** - From time to time, the Company shall determine in its reasonable judgment to what extent, if any, the Company's cash on hand exceeds the current and anticipated needs, including, without limitation, needs for operating expenses, debt service, acquisitions, reserves, and mandatory distributions, if any. To the extent such excess exists, the Company may make Distributions to, the Members in accordance with their Sharing Ratios. Such Distributions shall be in cash or Property (which need not be distributed proportionately) or partly in both, as determined by the Company.

7. **Limitations on Distributions** - No Distribution shall be declared and paid unless, after the Distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Accounts.

ARTICLE IX TAXES

1. **Elections** - The Company may make any tax elections allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction, over the Company.

2. **Taxes of Taxing Jurisdictions** - To the extent that the laws of any Taxing Jurisdiction requires, each Member requested to do so by the Company will submit an agreement indicating that the Member will make timely income tax payments to the Taxing Jurisdiction and that the Member accepts personal

jurisdiction of the Taxing Jurisdiction with regard to the collection of income taxes attributable to the Member's income, and interest and penalties assessed on such income. If the Member fails to provide such agreement, the Company may withhold and pay over to such Taxing Jurisdiction the amount of tax, penalty and interest determined under the laws of the Taxing Jurisdiction with respect to such income. Any such payments with respect to the income of a Member shall be treated as a Distribution for purposes of Article VIII. The Company may, where permitted by the rules of any Taxing Jurisdiction, file a composite, combined or aggregate tax return reflecting the income of the Company and pay the tax, interest and penalties of some or all of the Members on such income to the Taxing Jurisdiction, in which case the Company shall inform the Members of the amount of such tax, interest and penalties so paid.

3. **Tax Matters Partner** - The Company shall designate one Member as the tax matters partner of the Company pursuant to § 6231(a)(7) of the Code. Any Member designated as tax matters partner shall take such action as may be necessary to cause each other Member to become a notice partner within the meaning of § 6223 of the Code. Any Member who is designated tax matter partner may not take any action contemplated by §§ 6222 through 6232 of the Code without the consent of the Company.

ARTICLE X DISPOSITION OF MEMBERSHIP INTERESTS

1. **Restriction on Disposition** - A Member shall not Dispose of its Membership Interest; or any portion thereof, without the unanimous prior written consent of the other Members. In case of any permitted Disposition, the instrument of Disposition shall be in form and substance satisfactory to the Company.

2. **Admission of Assignees** - No Assignee shall automatically become a Substitute Member or have any of the rights of a Member, except that an Assignee shall be entitled to receive the share of profits and losses of the Company, the return of Capital Contributions and any other payments to which such Member would have been entitled. The Assignee of a Membership Interest, or any portion thereof, may be admitted to the Company as a Substitute Member in the place and stead of, or together with, as the case may be, the Member who has assigned all or part of its Membership interest upon satisfaction of all of the following conditions:

2.1 A duly executed and acknowledged written instrument of assignment must be filed with the Company setting forth the intention of the assigning Member that the Assignee become a Member in its place.

2.2 The assigning Member and the Assignee must execute and deliver such other instruments as the Company may deem necessary or desirable to effect such admission, including the written acceptance and adoption by the Assignee of the provisions of this Company Agreement.

2.3 The unanimous written consent of the other Members to such substitution shall be obtained, the granting or denial of which shall be within the sole discretion of each such Member;

After all of the foregoing conditions have been fulfilled and the Assignee has been admitted to the Company as a Substitute Member, the Company and the other Members shall amend this Company Agreement and any Exhibits hereto to reflect the Assignee's admission to the Company as a Substitute Member.

ARTICLE XI

DISSOLUTION AND WINDING UP

1. **Dissolution** - The Company shall be dissolved and its affairs wound up, upon the first to occur of the following events (Which, unless the Members agree to continue the business, shall constitute a Dissolution Event):

1.1 the unanimous written consent, of all of the Members; and

1.2 the death, retirement, resignation, or expulsion of a Member, or a Member becoming a Bankrupt Member.

2. **Effect of Dissolution** - Upon dissolution, the Company shall cease carrying on any business, as distinguished from the winding up of the Company business, but the Company is not terminated, but continues until the winding up of the affairs of the Company is completed and the certificate of dissolution has been issued by the Secretary of State.

3. **Distribution of Assets on Dissolution** - Upon the winding up of the Company, the Company Property shall be disbursed or distributed:

3.1 to creditors, including Members who are creditors, to the extent permitted by law, in satisfaction of Company Liabilities;

3.2 to Members in accordance with positive Capital Account balances taking into account all Capital Account adjustments for the Taxable Year in which the liquidation occurs. Liquidation proceeds shall be paid within 60 days of the end of the Taxable Year or, if later, within 90 days after the date of liquidation. Such Distributions shall be in cash or Property (which need not be Distributed proportionately) or partly in both, as determined by the Company.

4. **Winding up and Certificate of Dissolution** - The winding up of the Company, shall be completed when all debts, liabilities, and obligations of the Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining Property and assets of the Company have been Distributed to the Members. Upon the completion of winding up of the Company, a certificate of dissolution, shall be delivered to the Secretary of State for filing. The certificate of dissolution shall set forth the information required by the Act.

ARTICLE XII

AMENDMENT

1. **Company Agreement May Be Modified** - This Company Agreement may be modified as provided in this Article XII (as the same may, from time to time be

amended). No Member shall have any vested rights in the Company Agreement which may not be modified through an amendment to the Company Agreement, except that no amendment may reduce a Member's Sharing Ratio without such Member's consent.

2. **Amendment or Modification of Company Agreement** - The Company Agreement may be amended or modified from time to time only by a written instrument adopted by the Company.

ARTICLE XIII MISCELLANEOUS PROVISIONS

1. **Entire Agreement** - This Company Agreement represents the entire agreement among all the Members and between the Members and the Company.

2. **No Partnership Intended for Nontax Purposes** - The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership under either the Delaware Uniform Partnership Act nor the Delaware Uniform Limited Partnership Act. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

3. **Rights of Creditors and Third Parties** under Company Agreement - The Company Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assignees. The Company Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under the Company Agreement or any agreement between the Company and any Member with respect to any Capital Contribution or otherwise.

4. **Authorized Person** - Jennifer L. Blickenstaff is hereby designated an Authorized Person for the purpose of executing the Certificate to be filed with the Secretary of State of the State of Delaware.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the undersigned have executed this Company Agreement as at the date set forth below:

Dated: July 16, 1999

SMALL NEWSPAPER GROUP, INC.

By: Len Robert Small
Len Robert Small, President

SNG COMMUNICATIONS, L.L.C.

By: Small Newspaper Group, Inc., its
sole member

By: Len Robert Small
Len Robert Small, Resident

Jennifer L. Blickenstaff

EXHIBIT A

Member	Initial Capital Contribution	Sharing Ratio
Small Newspaper Group, Inc. 8 Dearborn Square Kankakee, Illinois 60901	<u>\$100,000</u>	100%

ATTACHMENT 3

Resumes to be provided.

ATTACHMENT 4

SNG COMMUNICATIONS
BALANCE SHEET
SEPTEMBER 341999

ASSETS

CURRENT ASSETS

CASH	120621
ACCOUNTS RECEIVABLE	39163
INVENTORIES	0
PREPAID EXPENSES	0
TOTAL CURRENT ASSETS	159784

FIXED ASSETS

COMPUTERS & EQUIPMENT	138601
FURNITURE & FIXTURES	6872
BUILDING & IMPROVEMENTS	3 1 5 6 8
LMDS LICENSE	1868369

LESS ACCUMULATED DEPRECIATION **-81687**

TOTAL FIXED ASSETS 1963723

TOTAL ASSETS 2123507

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE	1684
PAYROLL TAXES	1143
INCOME TAXES	0
SALES TAXES	0
OTHER TAXES	0
ACCRUED SALARIES	1988

TOTAL CURRENT LIABILITIES 4815

LONG TERM LIABILITIES

NOTES PAYABLE 0

TOTAL LONG TERM LIABILITIES 0

TOTAL LIABILITIES **4815**

NET WORTH

C A P I T A L

PARTNERSHIP ACCOUNTS	1700651
PROFIT TO DATE	125568
RETAINED EARNINGS	292473

TOTAL NET WORTH 2118692

LIABILITIES AND **NET WORTH** 2123507

	1999 JAN-SEPT	1998 JAN-SEPT	12 MONTHS ENDING SEPT 99	1998 JAN-DEC	1997 JAN-DEC
SNG COMMUNICATIONS					
I N C O M E :					
WEB PAGES	90842	66148	119844	95150	47832
STORAGE	14609	13463	17615	16469	10103
SUBSCRIBER	557543	436135	732753	611345	308763
COMPUTER SERVICE	3090	5028	4728	6667	9950
COMPUTER TRAINING	5070	18258	8300	21488	16550
ONLINE SPCL SCTN	0	0	a	0	0
TOTAL INCOME	871164	539032	883240	751119	393295
EXPENSES:					
EMPLOYEE BUSINESS EXPE	16203	609	16335	741	7805
MILEAGE	172%	76	1726	76	307
DUES & SUBSCRIPTIONS	0	205	0	205	209
FEATURES MATS ARTS SER	18917	13202	28058	22341	4635
MISCELLANEOUS	-61128	-61992	-82087	-82951	-44748
PROMOTION & ADVERTISING	10299	17093	1530	8324	19030
REPAIRS & MAINTENANCE	5627	3869	11143	9385	9228
SALARIES & WAGES-REGUL	200823	168824	249863	208064	114975
SALARIES & WAGES-OVERTI	1760	1034	2171	1445	2813
SICK PAY	1817	1086	2052	1300	1593
COMMISSION	17226	0	45292	26066	0
HOLIDAY PAY & VACATION	16128	8967	29583	22422	10434
ANNUAL BONUS	27225	21220	37001	30996	17462
SUPPLIES	77143	24338	90144	37339	47851
TELEPHONE & TOLLS	104534	62679	136756	94897	52268
WIRE SERVICES	38661	34315	48828	44482	37507
TOTAL EXPENSES	476765	285504	618393	427132	281359
OPERATING INCOME	194389	253528	264847	323987	111939
DEPRECIATION EXPENSE	21.144	13872	26413	18496	12911
INTEREST EXPENSE	0	0	0	0	0
ADMINISTRATIVE EXPENSE	47677	28550	61839	42713	28136
NET INCOME OR (LOSS)	126568	211106	176595	262778	70892